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TAGS: [EAID](#) [EFIN](#) [EINV](#) [PREL](#) [EZ](#)
SUBJECT: CZECH REPUBLIC: SOLICITING POTENTIAL CONTRIBUTIONS
TO KOSOVO DEBT RELIEF TRUST FUND

REF: A. SECSTATE 101356
[1](#)B. PRAGUE 584
[1](#)C. PRAGUE 524
[1](#)D. PRAGUE 416
[1](#)E. PRAGUE 312

(U) This cable is sensitive but unclassified. Please protect accordingly.

[1](#)1. (SBU) We delivered reftel demarche September 30 to MFA South and South East Europe Officer Josef Zrzavecky and MFA Development Officer Jana Korbelova. Zrzavecky confirmed that the Czechs pledged four million Euros over four years at the July 11 Kosovo Donors' Conference (one million per year). Of the one million pledged for this year, 500,000 Euros is going to the World Bank Trust Fund for Social and Economic Development. The Czechs also plan to donate half of their remaining pledge (i.e. 500,000 Euros annually) to this fund for each of the remaining three years, but may adjust these plans if conditions warrant. Zrzavecky reported that the Czechs are not planning to contribute to the World Bank Kosovo Debt Relief Trust Fund at this time as they believe debt repayment to be less of a pressing need. They are doubtful that Serbia will agree soon to the level of Kosovo's debt, as to do so would be an acknowledgment of Kosovo's sovereignty.

[1](#)2. (SBU) Zrzavecky stressed Czech frustration that, two months after the Donors' Conference, the World Bank had yet to operationalize its two funds. He asked for USG support to push the World Bank to get these funds up and running. He also reaffirmed Czech support for World Bank and IMF membership for Kosovo.
Grabner